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Tallahassee—The Florida Public Service Commission (FPSC) today approved an agreement between Florida Public Counsel Harold McLean and Gulf Power that would require Gulf Power and its customers to share in the recovery of \$96 million that the company spent to repair the damage from Hurricane Ivan. The Florida Industrial Power Users Group – a group of large industrial firms – also joined in the agreement.

The agreement requires the company to contribute 46% of the recovery costs, or \$44.8 million; while customers will pay 54 % through an average surcharge of \$2.71 per month for two years, to account for the balance of the \$96 million. Absent the agreement, the entire amount of the recovery cost could have been collected from Gulf's customers.

In addressing the FPSC, McLean expressed his appreciation for Gulf Power's efforts in restoring service after Hurricane Ivan struck the Florida Panhandle on September 16, 2004. "I would like to say to Gulf chief executive Susan Story, the employees of Gulf and their many contractors, thank you for a job well done," he stated.

When Ivan struck land at Perdido Key just west of Pensacola, over 90% of Gulf Power's customers lost electric service and the company's main generating facility was down. The company imported 4,000 outside workers in order to expedite restoration of service. In total, Gulf expects to spend over \$140 million to complete all of its repairs, including insurance and storm reserves that were already in place that will reduce the recovery amount to \$96 million.